

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
ALASCOM, INC.)	Transmittal No.
Tariff FCC No. 11)	

PETITION OF GCI TO SUSPEND AND INVESTIGATE

General Communication, Inc. (“GCI”), by its undersigned attorneys and pursuant to Section 1.773 of the Commission’s rules,¹ hereby petitions the Commission to suspend Alascom’s Tariff 11 filed today with the Commission, enter an accounting order, and order an investigation to be consolidated with the pending investigation of prior Tariff 11 transmittals.² GCI is a Tariff 11 customer that will be harmed by the excessive and unjustified rates proposed in Tariff 11.

On July 30, 2001, Alascom submitted transmittal No. 1253 detariffing Tariff 11. Upon information and belief, this detariffing was inadvertent and Alascom’s transmittal filed today with the Commission seeks to reinstate Tariff 11. Although the Commission’s investigation of Tariff 11 remains pending, out of an abundance of caution, GCI submits this Petition for Suspension and Investigation of Tariff 11 to preserve its pending challenge to Alascom’s Tariff 11.

The reinstated Tariff 11 raises the same issues as presented by each of Alascom’s prior Tariff 11 filings. The Commission has suspended for one day and set for investigation the

¹ 47 C.F.R. § 1.773.

² Investigation of Alascom, Inc., Interstate Transport and Switching Services, CC Docket No. 95-182.

Alascom Tariff 11 every year since its inception, and the issues raised remain the same as in those instances. GCI further notes that the Commission previously has suspended Alascom revisions to Tariff 11 when the transmittal “raises the same issues regarding rate levels, rate structures, and terms and conditions of service as those identified” in prior transmittals.³ GCI urges the Commission not to depart from this standard in its review of the instant Alascom tariff filing.

Alascom Tariff 11 violates Joint Board and Commission Orders, as GCI has extensively briefed in the past.⁴ In this regard, the Commission has previously determined that Tariff No. 11, Transmittal Nos. 790, 797, 807, 852, 921, 941, 993, 1088, and 1184 each raise significant questions of lawfulness.⁵ To date, the Commission has not yet issued an order designating the

³ ALASCOM, INC., Tariff F.C.C. No. 11, Transmittal No. 807, Order, 11 FCC Rcd 10833 (1996) (suspending and investigating tariff even though no petitions had been filed against the transmittal).

⁴ See ALASCOM INC.; Tariff FCC No. 11 Transmittal No. 790, GCI Petition to Reject or in the Alternative to Suspend and Investigate (filed Oct. 10, 1995) and ALASCOM INC.; Tariff FCC No. 11 Transmittal No. 852, GCI Petition to Reject or in the Alternative to Suspend and Investigate (filed Dec. 2, 1995) (citing Integration of Rates and Services for the Provision of Communications by Authorized Common Carriers between the Contiguous States and Alaska, Hawaii, Puerto Rico and the Virgin Island, Final Recommended Decision, 9 FCC Rcd 2197 (Jt Bd 1993); Memorandum Opinion and Order, 9 FCC Rcd 2197 (1994); Alascom Inc., et al., Order and Authorization, 11 FCC Rcd 732 (1995)).

⁵ ALASCOM, INC., Tariff F.C.C. No. 11, Transmittal No. 790, Order, 11 FCC Rcd 3703 (Com. Car. Bur. 1995) (suspending and investigating Alascom Transmittal Nos. 790 and 797); Transmittal No. 807, Order, 11 FCC Rcd 10833 (1996) (suspending and investigating Alascom Transmittal No. 807); Transmittal No. 852, Order, 12 FCC Rcd 3646 (Comp. Pric. Div. 1997) (suspending and investigating Alascom Transmittal No. 852); Transmittal No. 921, Order, 13 FCC Rcd 187 (Comp. Pric. Div. 1997) (suspending and investigating Alascom Transmittal No. 921); Transmittal No. 941 and 942, Order, 13 FCC Rcd 4659 (Comp. Pric. Div. 1998) (suspending and investigating Alascom Transmittal Nos. 941 and 942); Transmittal No. 1088, Order, 15 FCC Rcd 6 (Comp. Pric. Div. 1999) (suspending and investigating Transmittal No. 1088); Transmittal No. 1184, Order, 16 FCC Rcd 19 (Comp. Pric. Div. 2000) (suspending and investigating Transmittal No. 1184).

issues to be investigated in the pending consolidated proceeding. Because Tariff 11 as filed today with the Commission also raises significant questions of lawfulness, the Commission should suspend this tariff filing and add it to the investigation into the lawfulness of Tariff No. 11. In addition, the investigation should be commenced without further delay. In addition, an accounting order must be issued, particularly considering the duration of the proceeding thus far, to ensure that “Tariff 11 customers will be able to receive refunds of any amounts improperly charged should the Commission ultimately determine that Alascom’s tariff is unlawful.”⁶

The Proposed Switching Rates Remain Incorrectly Determined

The Commission has required Alascom to provide carrier services under a two zone rate scheme, under which rates are separately developed for Alascom’s Bush and non-Bush services. Because Alascom enjoys a legal monopoly in the Bush while facing actual or potential competition only in non-Bush areas,⁷ concerns arose that Alascom could manipulate the assignment of costs between Bush and non-Bush areas to the disadvantage of both carriers and customers. For this reason, Alascom was directed to develop a Cost Allocation Plan to specify the procedures for computing its Bush and non-Bush costs.⁸ In this most recent filing, however, Alascom still is plainly manipulating these costs.

The Alascom tariff continues to propose different rates for Bush and non-Bush switching services, and the proposed reductions do not narrow this gap. Non-Bush switching services are

⁶ Transmittal No. 993 Order, 13 FCC Rcd at 4660-61 (¶ 5).

⁷ GCI was granted a temporary partial waiver of the Bush policy to provide DAMA services to 50 Bush communities. Petition of General Communication, Inc. for a Partial Waiver of Bush Earth Station Policy, Memorandum Opinion and Order, 11 FCC Rcd 2535 (1996).

⁸ The Commission approved an Alascom Cost Allocation Plan in 1995. Alascom, Inc., DA 95-1902 (rel. Sept. 11, 1995). GCI’s Petition for Reconsideration of that order remains pending. GCI Petition for Reconsideration (filed Oct. 11, 1995).

priced at 1.90 cents per minute while Bush switching services are priced at 3.66 cents per minute. Alascom, however, has configured its network to use only one switch, which is located in Anchorage, the largest city in the state.⁹ The Anchorage switch is used to provide both Bush and non-Bush services. There are no Bush switches. According to the Alascom Cost Allocation Plan, switching costs are to be attributed based on the overall proportion of traffic served by the toll carriers. Because there are no switches located in the Bush and thus, no switches used solely for the provision of either Bush or non-Bush services, there is no basis for different Bush/non-Bush per minute rates. Since the initial Tariff 11 filing, however, Alascom has filed different Bush and non-Bush switching rates.

An Electronic Version of the Cost Study Is Necessary for a Complete Review of the Tariff

The lack of detail provided in the cost support makes it difficult to analyze the rates. By comparing the ratios between expenses and investments from one year to the next, however, demonstrate that the resulting rate changes are not justified. Therefore, at such time the Commission investigates Tariff 11, it should require Alascom to provide all cost models and its cost study in electronic format for full analysis.

⁹ Alascom at one time used three switches located in Anchorage, Fairbanks, and Juneau, the three largest urban centers in Alaska.

Conclusion

Based on the foregoing, the Commission should suspend Tariff No. 11 filed today with the Commission, add it to the pending investigation of prior Tariff 11 transmittals, 797, 852, 921, 993, 1088, and 1184 and issue an accounting order.

Respectfully submitted,

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Dated: August 9, 2001

CERTIFICATE OF SERVICE

I, Kathleen S. O'Neill, do hereby certify that a copy of the foregoing Petition of GCI to Suspend and Investigate was sent as indicated below this 9th day of August, 2001, to the following:

Mr. Charles W. Richardson, Jr.
Administrator – Rates and Tariffs
AT&T Communications
55 Corporate Drive, Rm. 32D55
Bridgewater, New Jersey 08807
(by facsimile and first-class mail)

/s/ Kathleen S. O'Neill
Kathleen S. O'Neill

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FEDERAL COMMUNICATIONS COMMISSION
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ALASCOM, INC.)	Transmittal No.
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CC: Docket 95-182

PROPOSED ORDER

By the Chief, Competitive Pricing Division, Common Carrier Bureau

I. INTRODUCTION

On July 30, Alascom, Inc. doing business as AT&T Alascom (Alascom), filed transmittal number 1253 detariffing its Tariff F.C.C. No. 11 (Tariff 11) for the dominant common carrier interexchange services it provides in Alaska (Alaska Services).¹⁰ This detariffing was inadvertent and on August 9, 2001, Alascom filed a new transmittal with the Commission seeking to reinstate Tariff 11.

For the reasons explained below, we suspend the effectiveness of the above transmittal for one day, set it for investigation, consolidate this investigation into the investigation initiated in Transmittal 790 Suspension Order,¹¹ and impose an accounting order.

¹⁰ The Alaska Services offered by Alascom have been established to enable other domestic interexchange carriers to provide telecommunications service to and from Alaska. See Integration of Rates and Services for the Provision of Communications by Authorized Common Carriers between the Contiguous States and Alaska, Hawaii, Puerto Rico and the Virgin Islands, CC Docket No. 83-1376, 9 FCC Rcd 3023 (1994).

¹¹ Alascom, Inc. Tariff F.C.C. No. 11, Trans. No. 790, CC Docket No. 95-182, 11 FCC Rcd 3703 (Com. Car. Bur. 1995) (Transmittal 790 Suspension Order) (suspending and investigating Alascom Transmittal Nos. 790 and 797).

II. DISCUSSION

We have reviewed the above transmittal and its supporting materials. We find that Transmittal No. _____ raises the same issues regarding rate levels, rate structures, and terms and conditions of service as those identified in the Transmittal 790 Suspension Order. For example, the proposed tariff revisions, like those in the earlier Alascom Transmittal Nos. 790, 797, 807, 852, 921, 933, 941, 942, 993, 1088, and 1184 raise questions regarding the adequacy of Alascom's cost support and the extent to which the rates, terms, and conditions in the proposed tariff comply with the Communications Act and relevant Commission orders. We conclude, therefore, that significant questions of lawfulness exist concerning Alascom's Transmittal No. _____. Accordingly, we suspend the provisions of Transmittal No. _____ for one day, set those provisions for investigation, and consolidate the investigation with the investigation initiated in the Transmittal 790 Suspension Order. These rate changes also will be subject to an accounting order to facilitate any necessary refunds. Our accounting order will ensure that Tariff 11 customers will be able to receive refunds of any amount's improperly charged should the Commission ultimately determine that Alascom's tariff is unlawful.

III. ORDERING CLAUSES

Accordingly, IT IS ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 204(a), and through the authority delegated pursuant to Sections 0.91 and 0.291 of the Commission's Rules, 47 C.F.R. §§ 0.91, 0.291, the revisions to Alascom, Inc. Tariff F.C.C. No. 11, contained in Transmittal No. _____ ARE SUSPENDED for one day from its effective date and an investigation of that tariff transmittal is instituted and incorporated within CC Docket No. 95-182.

IT IS FURTHER ORDERED that Alascom, Inc., SHALL FILE tariff revisions within five business days of the release date of this Order to reflect this suspension.

IT IS FURTHER ORDERED that, pursuant to Sections 4(i) and 204(a) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 204(a), and through the authority delegated pursuant to Sections 0.91 and 0.291 of the Commission's Rule, 47 C.F.R. §§ 0.91, 0.291, Alascom, Inc., SHALL KEEP ACCURATE ACCOUNT of all amounts received by reason of the rates that are the subject of this investigation.

Jane E. Jackson
Chief, Competitive Pricing Division
Common Carrier Bureau